

Addendum to FY 2007 Budget Instructions

Information Technology Consolidation

How to handle IT-related appropriations that were new in FY 2006

Subtract one-times as usual. Transfer out of your department's budget new funds received in budget object class 480 and any other IT-related items for new decision items funded in FY 2006. All transfers out will be transferred in by the Office of Administration.

How to handle small IT-related costs associated with a new decision item being requested for FY 2007

Make the request as in the past, indicating what is one-time. If the item is funded, transfers of on-going IT-related funding will be made as appropriate in FY 2008. Requests with large IT components should be coordinated with ITSD as they will want to prepare a companion request in cooperation with agencies.

Adjusting and completing the transfer of consolidated IT appropriations to ITSD

All funds should be transferred out of the consolidated IT appropriations using decision item number 0000004. The Office of Administration budget will show transfers in to the Information Technology Services Division (ITSD). Department budget staff and IT directors should work cooperatively in completing these transfers. Proposals for changes to the FY 2006 consolidation should be submitted to ITSD, with a copy to your Budget and Planning analyst, by September 2. ITSD must pre-approve all changes to the FY 2006 IT consolidated appropriations, but not the additional transfers (see next section, below). To allow departments to complete changes in the department request cycle, ITSD will respond to timely submissions by September 12. In Fiscal Year 2007, there should no longer be consolidated IT appropriations in agencies' budgets. All the appropriation authority should be either transferred to OA, reallocated elsewhere in the department's budget, or reduced from core (particularly excess federal funds authority).

Federal funds that are transferred out will be transferred into OA's federal fund. In FY 2007, agencies will deposit federal funds into the OA federal fund using identifying revenue source codes so that ITSD knows from which department/program the federal funds were received. ITSD will be developing a methodology that accurately captures information needed to comply with federal grant requirements. To that end, they have been meeting with concerned agencies. If you have not yet been consulted and have concerns or suggestions to share, please contact Roger Bisges (751-3129) or Jan Heckemeyer (526-3863).

Transferring additional IT funds to ITSD

Departments are urged to transfer appropriation authority for IT-related costs that were not part of the FY 2006 reallocation, including:

1. IT positions and FTE providing support for IT operations (e.g. accounting, procurement, inventory, timekeeping etc.).
2. Expense and equipment funds for IT-related professional development and travel.
3. Expense and equipment funds from the following object codes:
 - 2376 – Information technology supplies
 - 2406 – Network circuit line charges
 - 2409 – Internet charges
 - 2490 – SDC mainframe usage charges
 - 2493 – Imaging services
 - 2540 – Information technology outsourcing
 - 2541 – Information technology consulting and services (not including costs for administration of a program rather than for IT consulting or services)
 - 2580 – Computer hardware repair & maintenance
 - 2583 – Computer software maintenance, licenses, & subscription fees
 - 2883 – Mainframe computer equipment leases, capital
 - 2884 – Non-mainframe computer equipment leases, capital
 - 2895 – Mainframe computer software leases
 - 2896 – Non-mainframe computer software leases
 - 2919 – Short-term computer equipment rentals
4. Expense and equipment funds from budget object class 480 (computer equipment) that were attached to new decision items in FY 2006. No expenditures from object class 480 should remain in departments that are part of the reorganization.

Budget and Planning can provide actual FY 2005 expenditures for the above objects for help in determining what amounts should be transferred, and will consider those amounts when evaluating departmental transfer activity. General revenue transfers that are based on actual FY05 expenditures should be increased three percent to accommodate Governor's reserve in FY 2007. Departments are encouraged to work with their analysts if they anticipate transferring less than FY 2005 expenditures plus three percent.

Agencies and items specifically excluded from the IT transfer

Do not transfer non-IT expense and equipment funds such as office equipment and supplies, unless those funds are for the use of IT staff included in the transfer.

Also excluded is curriculum desktop software for state-supported schools in the Departments of Elementary and Secondary Education, and Social Services.

Agencies not included in the consolidation include:

Department of Conservation	Department of Transportation
Institutions of Higher Education	Elected Officials
Judiciary	Public Defender
General Assembly	Ethics Commission
Gaming Commission	Lottery Commission
Public Service Commission	Highway Patrol
Disability Determination in Vocational Rehabilitation	

Relaying BRASS details for the transfer to ITSD

Departmental IT directors received a spreadsheet from ITSD (attached) that will be used for ITSD review. Once ITSD has signed off on any changes to the FY 2006 consolidated appropriations, those sheets will be forwarded to Budget and Planning for entry as a transfer into the Office of Administration budget.